



Board Report

File #: A 12-191, Version: 1

- a. Authorize proceeding with a contract in the total amount of \$479,100 to Otto Construction the lowest responsible and responsive base bidder, for the Natividad Medical Center (NMC) Radiology Equipment Replacement Project No 9600-12 Bid NMC-1005, for the period October 1, 2012 through June 30, 2013; and
- b. Authorize approval of the Performance and Payment Bonds executed and provided by Otto Construction; and
- c. Authorize a contingency (not to exceed 10% of the contract amount) to provide funding for approved contract change order; and
- d. Authorize the Purchasing Manager at NMC to execute the contract and subject to the terms of the Public Contract Code, approve change order to the contract that do not exceed 10% of the original contract amount, and do not significantly change the scope of work.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Authorize proceeding with a contract in the total amount of \$479,100 to Otto Construction the lowest responsible and responsive base bidder, for the Natividad Medical Center (NMC) Radiology Equipment Replacement Project No 9600-12 Bid NMC-1005, for the period October 1, 2012 through June 30, 2013; and
- b. Authorize approval of the Performance and Payment Bonds executed and provided by Otto Construction; and
- c. Authorize a contingency (not to exceed 10% of the contract amount) to provide funding for approved contract change order; and
- d. Authorize the Purchasing Manager at NMC to execute the contract and subject to the terms of the Public Contract Code, approve change order to the contract that do not exceed 10% of the original contract amount, and do not significantly change the scope of work.

SUMMARY/DISCUSSION:

Natividad Medical Center's (NMC) Diagnostic Imaging Department located on the first floor of Building 500 urgently needs to replace two pieces of obsolete diagnostic imaging equipment (Fluoroscopy unit and General X-ray) and install an additional, new General X-ray unit. The existing equipment has been deemed as "end of life" by the maintenance vendor as repair parts are incredibly challenging to locate. Both pieces of equipment frequently continue to fail and be non-operational. On February 16, 2012 the repair vendor, GE, placed the existing General X-Ray unit permanently out of service. Fortunately, through much creative brainstorming, the repair vendor was able to temporarily repair the equipment in order to continue to provide safe, patient care (a fix that should hold for several months until NMC is able to select a contractor to perform the work and install the new equipment). As a result of our current situation, this project has now been deemed as an emergency.

In order to replace the new diagnostic imaging equipment, room renovation (i.e. electrical and structural work) must occur. During Fiscal Year 2011 NMC Capital Committee approved the capital to replace this diagnostic imaging equipment. In October 2011, NMC contracted with Kasavan Architects from the Request for Qualifications RFQ#9600-12 to provide drawings and specifications for the Radiology Equipment Project. On March 27, 2012 the Board of Supervisors approved the Plans and Special Provisions for the NMC Radiology Equipment Replacement. 9600-12, Bid No. NMC-1005 and allowed NMC to advertise the "Notice to Contractors."

On April, 2, 2012 NMC published the "Notice to Contractors" inviting formal bids for the Radiology Equipment Replacement. NMC provided interested contractors bid plans and specification in Bid Package No. NMC-1005, and followed the outlined steps in the works of public improvement process to properly select a contractor in conformance with State laws regarding construction contractor selection. At 2 p.m. on July 13, 2012 bids were opened and publicly read aloud by the Contracts/Purchasing Agent in the Clerk of the Board's Conference Room 1032. Otto Construction was revealed as the lowest bidder for this project. After evaluation of their proposal and subcontractors, NMC deemed them the lowest responsible and responsive bid to Otto Construction, pending Board of Supervisor's approval.

Natividad Medical Center requests authorization from the Board of Supervisors to award the Radiology Equipment Replacement (Project # 9600-27) to Otto Construction. Otto Construction's bid of \$479,100 including a 10% contingency of \$47,910 is under budget from NMC's estimated cost. Project costs for Architectural and Engineering services are \$123,000 and total construction costs of \$527,010 equals a total project expenditures of \$650,010. Anticipated duration of construction is 150 calendar days.

OTHER AGENCY INVOLVEMENT:

NMC is working with NMC Diagnostic Imaging Department, County Counsel and NMC Board of Trustees. NMC received support for the Radiology Equipment replacement project from the Capital Improvement Committee and the Budget Committee.

FINANCING:

The total agreement cost of \$479,100 for construction, and \$47,910 for the 10% contingency, is \$527,010 which is included in the Fiscal Year 2012/2013 Adopted Capital Budget. Project costs for Architectural and Engineering services are \$123,000 added with the total construction costs of 527,010 this equals a total project expenditure of \$650,010. Natividad Medical Center's capital budget for Replacement of Radiology Equipment Design and Construction is \$1.2M and is approved in the Fiscal Year 2012/2013 Capital Budget (#B13-2013-XX50).

Prepared by: Andrea Rosenberg, Assistant Administrator, 783-2562

Approved by: Harry Weis, Chief Executive Officer, 783-2553

Attachments: Agreement, Exhibit 1